

October 15, 2025

Sam Clow, Senior Regulatory Officer  
The Island Regulatory & Appeals Commission  
5<sup>th</sup> Floor, Suite 501  
National Bank Tower  
134 Kent Street  
Charlottetown, PE C1A 7L1

Dear Mr, Clow:

Please find enclosed two copies of the application for a rate increase for the Rural Municipality of St. Peter's Bay Sewer Utility Corporation.

If you have any questions or concerns, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink that reads "Michelle Burge".

Michelle Burge, FCPA, CA  
Managing Partner

**MRSB Chartered Professional Accountants Inc.**

Encls.

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## **Schedule 1**

## **Rural Municipality of St. Peter's Bay Sewer Utility Corporation**

### **BACKGROUND INFORMATION**

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The application for a change in the sewer rates by the Rural Municipality of St. Peter's Bay Sewer Utility Corporation "the Utility" is a result of increases in overall operating costs to the Utility.

Rates were last increased effective June 1, 2006. The service rates for the Utility currently authorized by IRAC are presented in Schedule 2.

Currently the Utility provides sewer services to 120 customers, of which 95 are single family dwellings and the remainder are a mix of apartments, seniors units, and commercial units.



## **Schedule 2**

# SEWER - DOMESTIC

# of single family dwellings	95	
x flat-rate per unit sewerage charge:	<u>\$ 325.00</u>	per unit
	\$ 30,713	
 # of facilities with 1 washroom	 5	
x flat-rate per unit sewerage charge:	<u>\$ 325.00</u>	per unit
	\$ 1,625	
 # of facilities with 20 seats	 4	
x flat-rate per unit sewerage charge:	<u>\$ 487.50</u>	per unit
	\$ 1,950	
 # of cottages with bathroom facilities for each unit	 1	
x flat-rate per unit sewerage charge:	<u>\$ 617.50</u>	per unit
	\$ 618	
 # of facilities with 1 washroom and 2 additional toilets/urinals	 2	
x flat-rate per unit sewerage charge:	<u>\$ 650.00</u>	per unit
	\$ 1,300	
 # of facilities with 1 washroom and 5 additional toilets/urinals	 1	
x flat-rate per unit sewerage charge:	<u>\$ 1,137.50</u>	per unit
	\$ 1,138	
 # of apartments	 2	
x flat-rate per unit sewerage charge:	<u>\$ 260.00</u>	per unit
	\$ 520	
 # of senior units	 9	
x flat-rate per unit sewerage charge:	<u>\$ 195.00</u>	per unit
	\$ 1,755	
 # of hotels with 7 suites	 1	
x flat-rate per unit sewerage charge:	<u>\$ 1,007.50</u>	per unit
	\$ 1,008	
 Other	\$ 11,420	
	<u>\$ 52,045</u>	

### **Schedule 3**

## **Breakdown of Revenues, Expenditures, and Current Charges**

The Utility provides sewer services to the residential and commercial establishments located in St. Peter's Bay, P.E.I. The charges assessed within the Utility are a flat rate of \$325 per unit per annum in accordance with a proportionate charge depending on the type of customer.

The Utility does not expect any growth in the number of customers for the years ending 2025, 2026, 2027, and 2028.

### *Current Charges*

The sewerage rates currently approved by the Island Regulatory and Appeals Commission (IRAC) for residential customers are detailed in Schedule 2 for all sewer customers.

## **Utility Expenses**

The annual expenses incurred by the Utility may be segregated into two distinct categories: operational and administrative expenses, and expenses related to infrastructure development.

### *Operational and Administrative expenses*

Operational and administrative expenditures are those directly related to the Utility, and can be variable or fixed in nature. These costs are inclusive of electricity, insurance, bank charges, and office supplies. These expenses are reasonably consistent from year to year, but are subject to increases from external forces such as inflation and the increasing energy costs.

### *Expenses related to infrastructure development*

Expenses related to infrastructure development refer to the costs of carrying the current infrastructure in the Utility. This includes amortization of capital assets, interest on long term debt, property taxes, and system maintenance. These expenses are expected to increase in accordance with planned infrastructure developments for the Utility.

## **Schedule 4**

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**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**CAPITAL ASSET & CONTRIBUTION IN AID SCHEDULE**

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**Actual Capital Assets – 2024**

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2024</b>
Land	0.0%	\$	3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%		533,007	-	6,396	201,980	331,027
Pumping equipment	5.0%		203,968	-	7,459	164,627	39,341
Sewer and lines	1.2%		944,122	8,613	11,329	189,638	763,097
<b>Total Assets</b>			<b><u>\$ 1,684,660</u></b>	<b><u>\$ 8,613</u></b>	<b><u>\$ 25,184</u></b>	<b><u>\$ 556,245</u></b>	<b><u>\$ 1,137,028</u></b>

**Actual Contributions in Aid – 2024**

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2024</b>
Structures & improvement	1.2%	\$	479,550	\$ -	\$ 5,755	\$ 185,056	\$ 294,494
Pumping equipment	5.0%		161,863	-	8,093	128,396	33,467
Sewer lines	1.2%		688,444	13,745	8,426	136,552	565,637
<b>Total Assets</b>			<b><u>\$ 1,329,857</u></b>	<b><u>\$ 13,745</u></b>	<b><u>\$ 22,274</u></b>	<b><u>\$ 450,004</u></b>	<b><u>\$ 893,598</u></b>

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**Rural Municipality of St. Peter's Bay Sewer Utility Corporation**  
**CAPITAL ASSET SCHEDULE**

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**Projected Capital Assets –2025, 2026, 2027, 2028 - Sewer**

		<u>Cost</u>	<u>Additions</u>	<u>Amortization</u>	<u>Accumulated Amortization</u>	<u>NBV 2025</u>
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	-	6,396	208,376	324,631
Pumping equipment	5.0%	203,968	-	7,459	172,086	31,882
Sewer and lines	1.2%	952,735	-	11,329	200,967	751,768
<b>Total Assets</b>		<b><u>\$ 1,693,273</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 25,184</u></b>	<b><u>\$ 581,429</u></b>	<b><u>\$ 1,111,844</u></b>

		<u>Cost</u>	<u>Additions</u>	<u>Amortization</u>	<u>Accumulated Amortization</u>	<u>NBV 2026</u>
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	100,000	7,596	215,972	417,035
Pumping equipment	5.0%	203,968	-	7,459	179,545	24,423
Sewer and lines	1.2%	952,735	-	11,329	212,296	740,439
<b>Total Assets</b>		<b><u>\$ 1,693,273</u></b>	<b><u>\$ 100,000</u></b>	<b><u>\$ 26,384</u></b>	<b><u>\$ 607,813</u></b>	<b><u>\$ 1,185,460</u></b>

		<u>Cost</u>	<u>Additions</u>	<u>Amortization</u>	<u>Accumulated Amortization</u>	<u>NBV 2027</u>
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	633,007	-	7,596	223,568	409,439
Pumping equipment	5.0%	203,968	-	7,459	187,004	16,964
Sewer and lines	1.2%	952,735	-	11,329	223,625	729,110
<b>Total Assets</b>		<b><u>\$ 1,793,273</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 26,384</u></b>	<b><u>\$ 634,197</u></b>	<b><u>\$ 1,159,076</u></b>

		<u>Cost</u>	<u>Additions</u>	<u>Amortization</u>	<u>Accumulated Amortization</u>	<u>NBV 2028</u>
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	633,007	-	7,596	231,164	401,843
Pumping equipment	5.0%	203,968	-	7,459	194,463	9,505
Sewer and lines	1.2%	952,735	200,000	13,729	237,354	915,381
<b>Total Assets</b>		<b><u>\$ 1,793,273</u></b>	<b><u>\$ 200,000</u></b>	<b><u>\$ 28,784</u></b>	<b><u>\$ 662,981</u></b>	<b><u>\$ 1,330,292</u></b>

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**Rural Municipality of St. Peter's Bay Sewer Utility Corporation**  
**CONTRIBUTION IN AID SCHEDULE**

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**Projected Contributions in Aid – 2025, 2026, 2027, 2028**

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2025</b>
Structures & improvem	1.2%	\$	479,550	\$ -	\$ 5,755	\$ 190,811	\$ 288,739
Pumping equipment	5.0%		161,863	-	8,093	136,489	25,374
Sewer lines	1.2%		702,189	-	8,426	144,978	557,211
<b>Total Assets</b>		<b>\$</b>	<b><u>1,343,602</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 22,274</u></b>	<b><u>\$ 472,278</u></b>	<b><u>\$ 871,324</u></b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2026</b>
Structures & improvem	1.2%	\$	479,550	\$ 100,000	\$ 6,955	\$ 197,766	\$ 381,784
Pumping equipment	5.0%		161,863	-	8,093	144,582	17,281
Sewer lines	1.2%		702,189	-	8,426	153,404	548,785
<b>Total Assets</b>		<b>\$</b>	<b><u>1,343,602</u></b>	<b><u>\$ 100,000</u></b>	<b><u>\$ 23,474</u></b>	<b><u>\$ 495,752</u></b>	<b><u>\$ 947,850</u></b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2027</b>
Structures & improvem	1.2%	\$	579,550	\$ -	\$ 6,955	\$ 204,721	\$ 374,829
Pumping equipment	5.0%		161,863	-	8,093	152,675	9,188
Sewer lines	1.2%		702,189	-	8,426	161,830	540,359
<b>Total Assets</b>		<b>\$</b>	<b><u>1,443,602</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 23,474</u></b>	<b><u>\$ 519,226</u></b>	<b><u>\$ 924,376</u></b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2028</b>
Structures & improvem	1.2%	\$	579,550	\$ -	\$ 6,955	\$ 211,676	\$ 367,874
Pumping equipment	5.0%		161,863	-	8,093	160,768	1,095
Sewer lines	1.2%		702,189	200,000	10,826	172,656	729,533
<b>Total Assets</b>		<b>\$</b>	<b><u>1,443,602</u></b>	<b><u>\$ 200,000</u></b>	<b><u>\$ 25,874</u></b>	<b><u>\$ 545,100</u></b>	<b><u>\$ 1,098,502</u></b>



## **Schedule 5**

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**Rural Municipality of St. Peter's Bay Sewer Utility Corporation**  
**SCHEDULE OF LONG TERM DEBT**  
**FOR THE YEARS ENDING**  
**MARCH 31, 2024 - 2028**

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	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Morell Credit Union Limited - 4.95%; repayable in quarterly blended installments of \$3,268. The loan matures on January 1, 2027.	\$ 69,050	\$ 59,214	\$ 48,882	\$ 38,030	\$ 26,630
	69,050	59,214	48,882	38,030	26,630
Less: current portion	(9,836)	(10,332)	(10,853)	(11,400)	(14,655)
	\$ 59,214	\$ 48,882	\$ 38,030	\$ 26,630	\$ 11,975

## **Schedule 6**

**Proposed Infrastructure Development and Amortization Period**

The Utility will undertake infrastructure upgrades during the 2026 and 2028 fiscal years.

The Utility intends to incur approximately \$300,000 in costs to improve and expand its sewer services over the next four years. The major projects include \$100,000 to reinvigorate the lagoon and \$200,000 to extend the sewer line on Cardigan Rd to support the development of a housing project. The lagoon reinvigoration is expected to take place in fiscal year 2026 and the Cardigan Rd extension in fiscal year 2028. The Utility intends to source \$300,000 from available Canada Community Building Funds to fund the two larger sewer extension projects. The Utility is not anticipating additional financing will be required for these projects currently.

Overall, the total project costs and funding for the proposed infrastructure upgrades are as follows:

<u>Project costs</u>		<u>Project funding</u>	
Sewer extensions and improvements	\$ 300,000	Canada Community Building Fund Allocation	\$ 300,000
	<u>300,000</u>		<u>300,000</u>

## **Schedule 7**

## Proposed Cost Allocation Structure, Tariff Structure, and Rate Increases

### *General Overview*

The Utility is applying to IRAC for an increase in utility rates to cover the increasing costs of maintaining the operating expenditures of the Utility. The Utility is proposing increases to the current sewer rates as the gap between the costs of building and maintaining these systems will very soon reach a point where the existing rate is no longer sustainable.

Based on the expected growth in operating expenditures, and the sewerage rates currently authorized by the Island Regulatory and Appeals Commission, the Utility's projected operating results for the 2025, 2026, 2027 and 2028 fiscal years are summarized in Table 1.

**Table 1:** Projected operating results without proposed rate increase

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Revenues	\$ 53,094	\$ 53,126	\$ 53,158	\$ 53,192
Expenditures	<u>52,452</u>	<u>53,345</u>	<u>54,255</u>	<u>55,181</u>
Change in fund balance	\$ <u>642</u>	\$ <u>(219)</u>	\$ <u>(1,097)</u>	\$ <u>(1,990)</u>

## Proposed Rates, Tariff Structure, and Effective Dates

The Utility proposes that increases to the current tariff system be implemented to ensure that the costs related to current and upcoming capital upgrades and improvements can be sustained with sufficient revenues from sewer charges. The proposed utility rates are expected to cover the debt service and amortization costs of the Utility's upgrades and maintenance to the infrastructure.

These proposed new utility rates are summarized in Table 2 and are expected to be implemented in fiscal year 2026 with the increase effective as at December 1, 2025.

**Table 2:** Proposed Utility Rates for Rural Municipality of St. Peter's Bay Sewer Utility Corporation

	Projected 2025	Projected 2026	Projected 2027	Projected 2028
	no change	increase	no change	no change
<b>SEWER - DOMESTIC</b>		5.0%		
# of single family dwellings	95	95	95	95
x flat-rate per unit sewerage charge:	325.00	341.25	341.25	341.25
	30,713	32,248	32,248	32,248
# of facilities with 1 washroom	5	5	5	5
x flat-rate per unit sewerage charge:	325.00	341.25	341.25	341.25
	1,625	1,706	1,706	1,706
# of facilities with 20 seats	4	4	4	4
x flat-rate per unit sewerage charge:	487.50	511.88	511.88	511.88
	1,950	2,048	2,048	2,048
# of cottages with bathroom facilities for each unit	1	1	1	1
x flat-rate per unit sewerage charge:	617.50	648.38	648.38	648.38
	618	648	648	648
# of facilities with 1 washroom and 2 additional toilets/urinals	2	2	2	2
x flat-rate per unit sewerage charge:	650.00	682.50	682.50	682.50
	1,300	1,365	1,365	1,365
# of facilities with 1 washroom and 5 additional toilets/urinals	1	1	1	1
x flat-rate per unit sewerage charge:	1,137.50	1,194.38	1,194.38	1,194.38
	1,138	1,194	1,194	1,194
# of apartments	2	2	2	2
x flat-rate per unit sewerage charge:	260.00	273.00	273.00	273.00
	520	546	546	546
# of senior units	9	9	9	9
x flat-rate per unit sewerage charge:	195.00	204.75	204.75	204.75
	1,755	1,843	1,843	1,843
# of hotels with 7 suites	1	1	1	1
x flat-rate per unit sewerage charge:	1,007.50	1,057.88	1,057.88	1,057.88
	1,008	1,058	1,058	1,058
Other	11,420	11,991	11,991	11,991
	\$ 52,045	\$ 54,647	\$ 54,647	\$ 54,647

These new utility rates are expected to be sufficient to cover the added infrastructure and debt service costs associated with the proposed infrastructure projects, along with increases in operating expenditures. Based on the proposed rates above, the projected operating results for 2025, 2026, 2027 and 2028 are summarized in Table 3.

**Table 5:** Projected operating results with proposed rate increase

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Revenues	\$ 53,094	\$ 55,728	\$ 55,760	\$ 55,794
Expenditures	<u>52,452</u>	<u>53,345</u>	<u>54,255</u>	<u>55,181</u>
Change in fund balance	<u>\$ 642</u>	<u>\$ 2,383</u>	<u>\$ 1,506</u>	<u>\$ 612</u>



**Appendix A:**  
**Authorization for Rate Application Preparation**

**Rural Municipality of St. Peter's Bay**

August 31, 2023

Dr. Roddie Community Center

**Call to Order:**

Mayor Ron MacInnis called the meeting to order at 7:32 pm

**Attendees:**

Mayor: Ron MacInnis Councilors: Bill Milligan, Cathy MacKinnon, Jerry MacKinnon, Jason Sheppard, Brenda Curran and Philip Milligan

**Approval of Agenda:**

It was moved by Councilor J. Sheppard and seconded by Councilor B. Curran that the agenda be approved as presented. **Yes : 6 Nay: 0 Motion Carried. (374-08-31)**

**Disclosure of Conflict of Interest:**

No Councilors declared any Conflict in the Agenda.

**Adoption of Minutes:**

It was moved by Councilor C. MacKinnon and seconded by Councilor P. Milligan that the minutes for the June 15 meeting be approved as presented. **Yes: 6 Nay: 0 Motion Carried (375-08-31)**

**Business Arising from Minutes:**

**Financial Report:**

A review of all accounts was given by the CAO. It was moved by Councilor J. Sheppard and seconded by Councilor B. Curran to accept the financial report as presented. **Yes: 6 Nay: 0 Motion Carried (376-08-31)**

**New Business**

The first item on the agenda was to rename the Complex after Jim MacAulay who worked tirelessly to keep the facility rented and in pristine shape. All present were in favor of this and Cathy offered to contact Laretta and Owen Parkhouse to discuss when the dedication would be. Debby advised that the dumpster from Label construction was at the Hall and Craig and the summer staff were helping with the removal of garbage and setting up for people coming in to view and purchase with monetary donations to the Community Cupboard.

A Housing Committee was formed and includes Philip Milligan, Dean Lewis and Eric MacInnis. Philip informed Council that they would meet to come up with ideas and would report back to Council.

A discussion followed on the Government rental of the available space at the Complex and that we still don't have a date for the meeting, but Sidney is working on it so hopefully in the next couple of weeks.

Next on the agenda was the topic of sewer rate increase. A letter from Greg Jay was circulated noting that we haven't had an increase since 2006 and that prices for everything is going up. When the UV light is installed, there will be an increase in operating costs so we need to prepare for that as well. It was moved by Councilor J. Sheppard that an application be sent to IRAC to increase sewer rates to cover increased costs and it was seconded by Councilor B. Milligan. **Yes: 6 Nay: 0 Motion carried (377-08-31)**


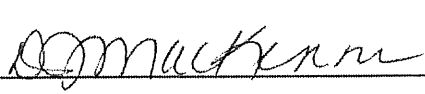
The CAO provided an explanation on the Gas Tax account. The process that was in place for the last number of years wasn't the correct one. This year when the balances were checked by the Province the discrepancy was found. 5 % of the taxes were being put through the Gas Tax account and it shouldn't have been. The Gas Tax accounts are audited so the Government and Municipality assumed it was right. We had to transfer funds from the Complex to cover this shortfall in the Gas Tax. We didn't lose any money but there is a stipulation on how it is spent now. Going forward the proper process will be in place.

Cathy spoke about the Reception Center Resiliency Fund and what it would cover. It was moved by Councilor B. Milligan that we change the Primary reception Center from the Dr Roddy to the Complex and it was seconded by Councilor C. MacKinnon. **Yes: 6 Nay: 0 Motion Carried (378-08-31)** It was discussed that we should get an up-to-date quote for a generator from Chandlers as we currently have one from Jamiesons.

The Campground Wishlist was discussed with the two most important ones being getting some gravel on the top row at the park and the driveway and Jerry said he will have a look. We also need the roofs done on the office and the canteen. Will get Craig to check with Dougie, we have been waiting to get a quote from Northside Roofing but haven't heard back.

Cathy advised that the Blueberry Festival have 90 days to get estimates for the Bounce Pad and for site prep work and it won't cost the Campground anything. It will be in the middle by the Splash Pad.

It was moved by Councilor J. MacKinnon and seconded by Councilor B. Curran to adjourn the meeting at 8:53 pm. **Yes:6 Nay:0 Motion Carried (379-08-31)**

Mayor:  CAO: 

**Appendix B:**  
**Copy of Bylaw Re Creation of Utility**

**Rural Municipality of St. Peter's Bay, PEI**

**The Rural Municipality of St. Peter's Bay Sewer Utility Corporation Bylaw  
Bylaw # SPB 2022-12**

**BE IT ENACTED** by the Council of the Rural Municipality of St. Peter's Bay as follows:

**1. Title**

- 1.1. This bylaw shall be known and cited as the St. Peter's Bay Sewer Bylaw".

**2. Authority**

- 2.1. Clause 180(b) of the Municipal Government Act R.S.P.E.I. 1988, Cap. M-12.1., enables Council to establish a bylaw to provide municipal public utility services.
- 2.2. Pursuant to subsection 183(1) of the Municipal Government Act, this public utility will be established as a controlled corporation.

**3. Application**

- 3.1. This Bylaw applies to Council, all members of the Board of Directors of the Corporation, and customers of the public utility.

**4. Definitions**

- 4.1. "Act" means the Municipal Government Act.
- 4.2. "Chief Administrative Officer" or "CAO" means the administrative head of the Municipality as appointed by Council under clause 86(2)(c) of the Act.
- 4.3. "Commission" means the Island Regulatory and Appeals Commission established under the *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11.
- 4.4. "Controlled Corporation" means a controlled corporation as defined in the Act.
- 4.5. "Corporation" means the Rural Municipality of St. Peter's Bay Sewer Utility Corporation established herein.
- 4.6. "Council" means the mayor and other members of the Council of the Municipality.
- 4.7. "Customer" means a property, person, firm or corporation who or which requests, or is supplied with, sewer service at a specific location or locations.
- 4.8. "Municipality" means the Rural Municipality of St. Peter's Bay.
- 4.9. "Public Utility" means a public utility as defined in the *Water and Sewerage Act* R.S.P.E.I. 1988, Cap. W-2.
- 4.10. "Quorum" is a majority of the members of the Board of Directors and must include either the chair or vice-chair.

## **5. Corporation Established**

- 5.1. Under the authority of subsection 183(1) and pursuant to clause 183(3)(a) of the *Act*, the Council establishes the Rural Municipality of St. Peter's Sewer Utility Corporation.
- 5.2. Pursuant to clause 183(3)(a) of the *Act*, Council shall specify the composition and functions of the controlled corporation.

## **6. Corporation Administration**

- 6.1. Pursuant to subsection 2(1) of the *Water and Sewerage Act*, the Commission has and shall exercise general supervision and control over the Rural Municipality of St. Peter's Bay Sewer Utility Corporation.
- 6.2. The affairs of the Corporation shall be managed, in accordance with this bylaw and other applicable Acts and regulations, by the Board of Directors.
- 6.3. The Board of Directors shall be composed of:
  - (a) a chair who shall be a member of Council;
  - (b) a vice-chair who shall be member of Council;
  - (c) not less than two other members;
  - (d) a majority of members who shall be members of Council;
  - (e) only residents of the municipality are eligible to serve on the Board.
- 6.4. The Board of directors shall be appointed in accordance with the municipality's Procedural Bylaw.
- 6.5. An employee of the corporation is considered a municipal employee.
- 6.6. Pursuant to clause 93(1)(d) of the *Act*, the Chief Administrative Officer is responsible for hiring, directing, managing and supervising the employees of the municipality.
- 6.7 Pursuant to clause 93(1)(d1) of the *Act*, the Chief Administrative Officer is responsible for contracting, directing, managing and supervising the activities of all contractors hired or persons or firms retained by the municipality to work on behalf of council.

## **7 Meeting Procedures**

- 7.1 A quorum is required at all time for Board of Directors meetings.
- 7.2 The Chair, or in their absence the vice-chair, shall preside over meetings of the Board of Directors.
- 7.3 The CAO or designate must be attendance at all Board meetings to ensure minutes are recorded.

- 7.4. The Chair of the Board of Directors shall only vote in the event of a tie vote among other Board members.
- 7.5. Decisions of the Board of Directors shall be determined by majority vote.
- 7.6. Meetings notice shall be as outlined in the municipality's Procedural Bylaw.

## **8 Functions of the Corporation**

- 8.1. Constructing, altering, extending, managing and controlling a system for providing the service of sewerage.
- 8.2. Acquiring, alienating, holding and disposing of real or personal property with Council approval.
- 8.3. Financing, with the approval of Council, any of its undertakings.
- 8.4. Collecting rates and charges for services provided to any customer.
- 8.5. Recommending rates and charges to Council to cover the costs of providing services.
- 8.6. With the prior approval of Council provide for service outside the municipality boundaries provided the complete cost of providing this service is borne by the party or parties requiring this service.

## **9 Additional Responsibilities**

- 9.1 The Corporation shall conduct its affairs in accordance with generally accepted public utility practices.
- 9.2 The Corporation shall maintain safe and adequate service and facilities for services as changing conditions require.
- 9.3 The Board of Directors is responsible for providing the necessary strategic direction and the required oversight to fulfill the established functions of the Corporation.
- 9.4 For the efficient administration of municipal business, the Corporation and the Municipality shall cooperate in the provision of municipal services.

## **10 Rates, Charges and Interest**

- 10.1 Pursuant to subsection 184(1) of the Act, Council shall by bylaw levy rates and/or frontage charges in respect of real property for the services of the public utility that are sufficient to cover the costs of providing the services of the public utility following approval of the Commission in accordance with the *Water and Sewerage Act*.
- 10.2 All overdue and unpaid rates and frontage charges bear interest from the due date at the rate prescribed in the Commission's Regulations.

## **11 Liens**

- 11.1. Pursuant the Commission's regulations, rates or frontage charges that are overdue and unpaid, and any interest accrued, constitute a lien on the real property on which they are levied until payment in full is made.
- 11.2. Pursuant to the Commission's regulations, the lien referred to in 11.1 of this bylaw, has priority over every claim, privilege or encumbrance against the property of every person, except the Crown, and may be enforced on application to the Supreme Court for an order for the sale of the property.

## **12 Financial**

- 12.1. As per clause 183(3)(b) of the *Act*, the Corporation shall maintain its accounts separate from the accounts of the municipality.
- 12.2. Pursuant to clause 183(3)(b) of the *Act*, the Corporation shall prepare an annual financial statement to be submitted to Council.
- 12.3. In accordance with clause 183(3)(c) of the *Act*, the Corporation shall prepare annually a financial plan to be submitted to Council which contains at a minimum:
  - 12.8.1 an operating budget that includes estimates of revenues and expenditures,
  - 12.8.2 a capital budget; and
  - 12.8.3 a five-year capital expenditure program that includes an asset management program.
- 12.4. The fiscal year of the corporation shall be from 1 April to 31 March.
- 12.5. In accordance with section 12 of the *Water and Sewerage Act*, the public utility is required to keep and render its books, accounts, records and papers accurately and faithfully in the manner and form prescribed by the Commission and comply with all direction of the Commission relating to the books, accounts, papers and records.
- 12.6. If the Minister requires an inspection of the Corporation pursuant to subsection 216(1) of the *Act*, the Corporation shall produce all records of the Corporation for examination and inspection.

## **13 Complaints**

- 13.1. In accordance with subsection 184(4) of the *Act*, a complaint in respect of the terms and standards of service, rates, charges or schedules or any combination of them, of the public utility, is subject to appeal to the Commission under the *Water and Sewerage Act* in accordance with that Act.



#### **14. Repeal of Existing Bylaw**

14.1 On adoption, this bylaw replaces Bylaw #1 Community of St. Peter's Bay Sewage Collection and all amendments heretofore.

#### **15. Effective Date**

15.1 This Rural Municipality of St. Peter's Bay Sewer Utility Corporation Bylaw, Bylaw # 2022-12, shall be effective on the date of approval and adoption below.

#### **First Reading:**

This Rural Municipality of St. Peter's Bay Sewer Utility Corporation Bylaw, Bylaw # 2022-12, was read a first time at the Council meeting held on the 24th day of February 2022.

This Rural Municipality of St. Peter's Bay Sewer Utility Corporation Bylaw, Bylaw # 2022-12, was approved by a majority of Council members present at the Council meeting held on the 24th day of February 2022.

#### **Second Reading:**


This Rural Municipality of St. Peter's Bay Sewer Utility Corporation Bylaw, Bylaw # 2022-12, was read a second time at the Council meeting held on the 16<sup>th</sup> day of March 2022.

This Rural Municipality of St. Peter's Bay Sewer Utility Corporation Bylaw, Bylaw # 2022-12, was approved by a majority of Council members present at the Council meeting held on the 16th day of March 2022.

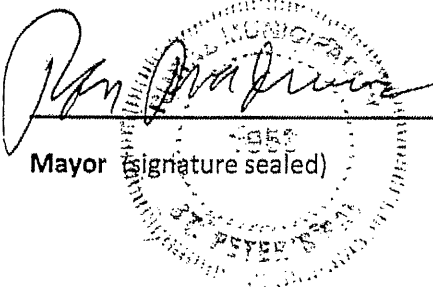
#### **Approval and Adoption by Council:**

This Rural Municipality of St. Peter's Bay Sewer Utility Corporation Bylaw, Bylaw # 2022-12, was adopted by a majority of Council members present at the Council meeting held on the 16th day of March 2022.

#### **Signatures**



Mayor (signature sealed)



Chief Administrative Officer (signature sealed)



This Sewer Bylaw SPB# 2022-12 adopted by Council of the Rural Municipality of St Peter's Bay is certified to be a true copy.

B. MacKinnon

CAO Signature

March 22, 2022

Date

**Appendix C:**  
**Statement of Revenues and Expenditures with Proposed Rate Increase**

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
WITH PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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## COMPILATION ENGAGEMENT REPORT

---

We have compiled a financial projection for the Rural Municipality of St. Peter's Bay Sewer Utility Corporation consisting of Projected Statements of Revenues and Expenditures (with proposed rate increase) for the years to end March 31, 2025, 2026, 2027 and 2028, using assumptions, including the hypotheses set out in Note 2, with an effective date of October 15, 2025, and other information provided by management. Our engagement was performed in accordance with the applicable guidance on compilation of a financial projection set out in the CPA Handbook-Assurance.

A compilation is limited to presenting, in the form of a financial projection, information provided by management and does not include evaluating the support for the assumptions, including the hypotheses, or other information underlying the projection. Accordingly, we do not express an opinion or any other form of assurance on the financial projection or assumptions, including the hypotheses. Further, since this financial projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occurs, and the variations may be material. We have no responsibility to update this communication for events and circumstances occurring after the date of this communication. This financial projection is intended primarily for the purposes of inclusion in a rate filing submission to the Island Regulatory and Appeals Commission.

*MRSB Chartered Professional Accountants Inc*  
MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

CHARLOTTETOWN, PE

October 15, 2025

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
SEWER WITH PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

	Actual 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028
<b>REVENUES</b>					
Sewer rates					
Sewer charges	\$ 51,746	\$ 52,045	\$ 54,647	\$ 54,647	\$ 54,647
Insurance proceeds	\$ 11,182	\$ -	\$ -	\$ -	\$ -
Interest	1,019	1,050	1,081	1,113	1,147
	63,947	53,094	55,728	55,760	55,794
<b>EXPENDITURES</b>					
Amortization of tangible capital assets	2,910	2,910	2,910	2,910	2,910
Electricity	2,332	2,402	2,474	2,548	2,625
Insurance	1,952	2,011	2,071	2,133	2,197
Interest and bank charges	750	773	796	820	844
Interest and long term debt	3,610	3,237	2,741	2,220	1,673
Island Regulatory and Appeals Commission	673	693	714	735	757
Office rental	2,500	2,575	2,652	2,732	2,814
Office supplies	648	667	687	708	729
Professional fees	6,762	6,965	7,174	7,389	7,611
Property tax	387	399	411	423	436
Repairs and maintenance	25,819	15,076	15,528	15,994	16,474
Wages and wage levies	14,315	14,744	15,187	15,642	16,112
<b>TOTAL EXPENDITURES</b>	62,658	52,452	53,345	54,255	55,181
<b>OPERATING SURPLUS</b>	1,289	642	2,383	1,506	612
<b>SURPLUS - BEGINNING OF YEAR</b>	113,221	114,510	115,152	117,535	119,041
<b>SURPLUS - END OF YEAR</b>	\$ 114,510	\$ 115,152	\$ 117,535	\$ 119,041	\$ 119,653

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
WITH PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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**1. Basis of Preparation**

The Rural Municipality of St. Peter's Bay Sewer Utility Corporation provides sewer services for the Rural Municipality of St. Peter's Bay, P.E.I.

These projections have been prepared for inclusion in an application for an increased utility rate submitted to the Island Regulatory and Appeals Commission (IRAC), and may not be appropriate for purposes other than those described. The projected statements of operations have been prepared as at October 15, 2025 using the hypotheses detailed in Note 2 together with assumptions that are based on management's judgment as to the most probable set of economic conditions as well as the entity's planned courses of action for the period covered.

These projections reflect only the assets, liabilities, revenues, expenditures, and changes in fund balances of the Rural Municipality of St. Peter's Bay Sewer Utility Corporation and do not include all funds of the Rural Municipality of St. Peter's Bay.

In view of uncertainties inherent in predicting future conditions and events, actual results achieved for the period will vary from the information presented and the variations may be material.

**2. Hypotheses**

The projection is based on the following hypotheses:

- The Rural Municipality of St. Peter's Bay Sewer Utility Corporation plans on undertaking infrastructure upgrades as described in Note 4, throughout fiscal years ending March 31, 2025, 2026, 2027 and 2028.
- The Rural Municipality of St. Peter's Bay Sewer Utility Corporation currently has loans with Morell Credit Union with rates and repayment terms as described in Note 5 (e). Additional financing is not anticipated currently.
- The Rural Municipality of St. Peter's Bay Sewer Utility Corporation anticipates \$300,000 in capital improvements to sewer line from 2025 through 2028. It is anticipated that 100% of the cost will be provided from Canada Community Building Fund allocation.
- There are no expected changes in number of sewer customers for 2025 through 2028.



**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES**  
**WITH PROPOSED RATE INCREASE**  
**FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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**3. Significant Accounting Policies**

The projected financial statements for the Rural Municipality of St. Peter's Bay Sewer Utility Corporation have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

**a) Tangible capital assets**

Tangible capital assets of the Utility are stated at cost and amortized using the straight-line method at the following rates as directed by the Island Regulatory and Appeals Commission:

Structures & improvements	1.2%
Sewer & lines	1.2%
Pumping equipment	5%

**b) Contributions in aid of construction**

Funds received through capital assistance programs are credited to contributions in aid of construction and amortized at the same rates as the tangible capital assets to which they apply.

**c) Revenue recognition**

Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed annually and are recognized when billings come due.

The Utility follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditures is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**4. Project Costs and Funding**

Project costs

Sewer extensions and improvements	\$ 300,000
	<u>300,000</u>

Project funding

Canada Community Building Fund Allocation	\$ 300,000
	<u>300,000</u>

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
WITH PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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**5. Summary of Significant Assumptions**

**a) Revenues**

The Utility is subject to rate regulation on the sewer utilities provided to residents in Prince Edward Island under the Island Regulatory & Appeals Commissions Act. The purpose of this Act, which is administered by the Island Regulatory & Appeals Commission (IRAC), is to regulate the rate municipalities may charge for sewer utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewer services.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

Sewer rates for all customers are proposed to be increased by 5% effective December 1, 2025.

**b) Operating expenditures**

Most operating expenditures are estimated to increase at a rate of 3% per year given the effects of inflation and increasing cost of purchasing goods and services.

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES**  
**WITH PROPOSED RATE INCREASE**  
**FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

**5. Summary of Significant Assumptions (continued)**

**c) Tangible capital assets – sewer assets**

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2024
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	-	6,396	201,980	331,027
Pumping equipment	5.0%	203,968	-	7,459	164,627	39,341
Sewer and lines	1.2%	944,122	8,613	11,329	189,638	763,097
<b>Total Assets</b>		<b>\$ 1,684,660</b>	<b>\$ 8,613</b>	<b>\$ 25,184</b>	<b>\$ 556,245</b>	<b>\$ 1,137,028</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2025
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	-	6,396	208,376	324,631
Pumping equipment	5.0%	203,968	-	7,459	172,086	31,882
Sewer and lines	1.2%	952,735	-	11,329	200,967	751,768
<b>Total Assets</b>		<b>\$ 1,693,273</b>	<b>\$ -</b>	<b>\$ 25,184</b>	<b>\$ 581,429</b>	<b>\$ 1,111,844</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	100,000	7,596	215,972	417,035
Pumping equipment	5.0%	203,968	-	7,459	179,545	24,423
Sewer and lines	1.2%	952,735	-	11,329	212,296	740,439
<b>Total Assets</b>		<b>\$ 1,693,273</b>	<b>\$ 100,000</b>	<b>\$ 26,384</b>	<b>\$ 607,813</b>	<b>\$ 1,185,460</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	633,007	-	7,596	223,568	409,439
Pumping equipment	5.0%	203,968	-	7,459	187,004	16,964
Sewer and lines	1.2%	952,735	-	11,329	223,625	729,110
<b>Total Assets</b>		<b>\$ 1,793,273</b>	<b>\$ -</b>	<b>\$ 26,384</b>	<b>\$ 634,197</b>	<b>\$ 1,159,076</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	633,007	-	7,596	231,164	401,843
Pumping equipment	5.0%	203,968	-	7,459	194,463	9,505
Sewer and lines	1.2%	952,735	200,000	13,729	237,354	915,381
<b>Total Assets</b>		<b>\$ 1,793,273</b>	<b>\$ 200,000</b>	<b>\$ 28,784</b>	<b>\$ 662,981</b>	<b>\$ 1,330,292</b>



**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES**  
**WITH PROPOSED RATE INCREASE**  
**FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

**5. Summary of Significant Assumptions (continued)**

**d) Contribution in aid of construction – sewer assets**

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2024</b>
Structures & improvements	1.2%	\$	479,550	\$ -	\$ 5,755	\$ 185,056	\$ 294,494
Pumping equipment	5.0%		161,863	-	8,093	128,396	33,467
Sewer lines	1.2%		688,444	13,745	8,426	136,552	565,637
<b>Total Assets</b>		<b>\$</b>	<b>1,329,857</b>	<b>\$ 13,745</b>	<b>\$ 22,274</b>	<b>\$ 450,004</b>	<b>\$ 893,598</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2025</b>
Structures & improvements	1.2%	\$	479,550	\$ -	\$ 5,755	\$ 190,811	\$ 288,739
Pumping equipment	5.0%		161,863	-	8,093	136,489	25,374
Sewer lines	1.2%		702,189	-	8,426	144,978	557,211
<b>Total Assets</b>		<b>\$</b>	<b>1,343,602</b>	<b>\$ -</b>	<b>\$ 22,274</b>	<b>\$ 472,278</b>	<b>\$ 871,324</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2026</b>
Structures & improvements	1.2%	\$	479,550	\$ 100,000	\$ 6,955	\$ 197,766	\$ 381,784
Pumping equipment	5.0%		161,863	-	8,093	144,582	17,281
Sewer lines	1.2%		702,189	-	8,426	153,404	548,785
<b>Total Assets</b>		<b>\$</b>	<b>1,343,602</b>	<b>\$ 100,000</b>	<b>\$ 23,474</b>	<b>\$ 495,752</b>	<b>\$ 947,850</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2027</b>
Structures & improvements	1.2%	\$	579,550	\$ -	\$ 6,955	\$ 204,721	\$ 374,829
Pumping equipment	5.0%		161,863	-	8,093	152,675	9,188
Sewer lines	1.2%		702,189	-	8,426	161,830	540,359
<b>Total Assets</b>		<b>\$</b>	<b>1,443,602</b>	<b>\$ -</b>	<b>\$ 23,474</b>	<b>\$ 519,226</b>	<b>\$ 924,376</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 2028</b>
Structures & improvements	1.2%	\$	579,550	\$ -	\$ 6,955	\$ 211,676	\$ 367,874
Pumping equipment	5.0%		161,863	-	8,093	160,768	1,095
Sewer lines	1.2%		702,189	200,000	10,826	172,656	729,533
<b>Total Assets</b>		<b>\$</b>	<b>1,443,602</b>	<b>\$ 200,000</b>	<b>\$ 25,874</b>	<b>\$ 545,100</b>	<b>\$ 1,098,502</b>

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES**  
**WITH PROPOSED RATE INCREASE**  
**FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

**5. Summary of Significant Assumptions (continued)**

**e) Long term debt**

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Morell Credit Union Limited - 4.95%; repayable in quarterly blended installments of \$3,268. The loan matures on January 1, 2027.	\$ 69,050	\$ 59,214	\$ 48,882	\$ 38,030	\$ 26,630
	69,050	59,214	48,882	38,030	26,630
Less: current portion	(9,836)	(10,332)	(10,853)	(11,400)	(14,655)
	\$ 59,214	\$ 48,882	\$ 38,030	\$ 26,630	\$ 11,975

**Appendix D:**  
**Statement of Revenues and Expenditures Without Proposed Rate Increase**

**APPENDIX D**

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
WITH PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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## COMPILATION ENGAGEMENT REPORT

---

We have compiled a financial projection for the Rural Municipality of St. Peter's Bay Sewer Utility Corporation consisting of Projected Statements of Revenues and Expenditures (with no proposed rate increase) for the years to end March 31, 2024, 2025, 2026 and 2027, using assumptions, including the hypotheses set out in Note 2, with an effective date of October 15, 2025 and other information provided by management. Our engagement was performed in accordance with the applicable guidance on compilation of a financial projection set out in the CPA Handbook-Assurance.

A compilation is limited to presenting, in the form of a financial projection, information provided by management and does not include evaluating the support for the assumptions, including the hypotheses, or other information underlying the projection. Accordingly, we do not express an opinion or any other form of assurance on the financial projection or assumptions, including the hypotheses. Further, since this financial projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occurs, and the variations may be material. We have no responsibility to update this communication for events and circumstances occurring after the date of this communication. This financial projection is intended primarily for the purposes of inclusion in a rate filing submission to the Island Regulatory and Appeals Commission.

*MRSB Chartered Professional Accountants Inc.*  
MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

CHARLOTTETOWN, PE

October 15, 2025

**M|R|S|B**

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
SEWER WITH NO PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

	Actual 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028
<b>REVENUES</b>					
Sewer rates					
Sewer charges	\$ 51,746	\$ 52,045	\$ 52,045	\$ 52,045	\$ 52,045
Insurance proceeds	\$ 11,182	\$ -	\$ -	\$ -	\$ -
Interest	1,019	1,050	1,081	1,113	1,147
	<u>63,947</u>	<u>53,094</u>	<u>53,126</u>	<u>53,158</u>	<u>53,192</u>
<b>EXPENDITURES</b>					
Amortization of tangible capital assets	2,910	2,910	2,910	2,910	2,910
Electricity	2,332	2,402	2,474	2,548	2,625
Insurance	1,952	2,011	2,071	2,133	2,197
Interest and bank charges	750	773	796	820	844
Interest and long term debt	3,610	3,237	2,741	2,220	1,673
Island Regulatory and Appeals Commission	673	693	714	735	757
Office rental	2,500	2,575	2,652	2,732	2,814
Office supplies	648	667	687	708	729
Professional fees	6,762	6,965	7,174	7,389	7,611
Property tax	387	399	411	423	436
Repairs and maintenance	25,819	15,076	15,528	15,994	16,474
Wages and wage levies	14,315	14,744	15,187	15,642	16,112
	<u>62,658</u>	<u>52,452</u>	<u>53,345</u>	<u>54,255</u>	<u>55,181</u>
<b>TOTAL EXPENDITURES</b>					
	<u>1,289</u>	<u>642</u>	<u>(219)</u>	<u>(1,097)</u>	<u>(1,990)</u>
<b>OPERATING SURPLUS (DEFICIT)</b>					
<b>SURPLUS - BEGINNING OF YEAR</b>	<u>113,221</u>	<u>114,510</u>	<u>115,152</u>	<u>114,933</u>	<u>113,836</u>
<b>SURPLUS - END OF YEAR</b>	<u>\$ 114,510</u>	<u>\$ 115,152</u>	<u>\$ 114,933</u>	<u>\$ 113,836</u>	<u>\$ 111,847</u>

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
WITH NO PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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**1. Basis of Preparation**

The Rural Municipality of St. Peter's Bay Sewer Utility Corporation provides sewer services for the Rural Municipality of St. Peter's Bay, P.E.I.

These projections have been prepared for inclusion in an application for an increased utility rate submitted to the Island Regulatory and Appeals Commission (IRAC), and may not be appropriate for purposes other than those described. The projected statements of operations have been prepared as at October 15, 2025 using the hypotheses detailed in Note 2 together with assumptions that are based on management's judgment as to the most probable set of economic conditions as well as the entity's planned courses of action for the period covered.

These projections reflect only the assets, liabilities, revenues, expenditures, and changes in fund balances of the Rural Municipality of St. Peter's Bay Sewer Utility Corporation and do not include all funds of the Rural Municipality of St. Peter's Bay.

In view of uncertainties inherent in predicting future conditions and events, actual results achieved for the period will vary from the information presented and the variations may be material.

**2. Hypotheses**

The projection is based on the following hypotheses:

- The Rural Municipality of St. Peter's Bay Sewer Utility Corporation plans on undertaking infrastructure upgrades as described in Note 4, throughout fiscal years ending March 31, 2025, 2026, 2027 and 2028.
- The Rural Municipality of St. Peter's Bay Sewer Utility Corporation currently has loans with Morell Credit Union with rates and repayment terms as described in Note 5 (e). Additional financing is not anticipated currently.
- The Rural Municipality of St. Peter's Bay Sewer Utility Corporation anticipates \$300,000 in capital improvements to sewer line from 2025 through 2028. It is anticipated that 100% of the cost will be provided from Canada Community Building Fund allocation.
- There are no expected changes in number of sewer customers for 2025 through 2028.

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES**  
**WITH NO PROPOSED RATE INCREASE**  
**FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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### 3. Significant Accounting Policies

The projected financial statements for the Rural Municipality of St. Peter's Bay Sewer Utility Corporation have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

#### a) Tangible capital assets

Tangible capital assets of the Utility are stated at cost and amortized using the straight-line method at the following rates as directed by the Island Regulatory and Appeals Commission:

Structures & improvements	1.2%
Sewer & lines	1.2%
Pumping equipment	5%

#### b) Contributions in aid of construction

Funds received through capital assistance programs are credited to contributions in aid of construction and amortized at the same rates as the tangible capital assets to which they apply.

#### c) Revenue recognition

Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed annually and are recognized when billings come due.

The Utility follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditures is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### 4. Project Costs and Funding

#### Project costs

Sewer extensions and improvements	\$ 300,000
	<u>300,000</u>

#### Project funding

Canada Community Building Fund Allocation	\$ 300,000
	<u>300,000</u>



**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
WITH NO PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

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**5. Summary of Significant Assumptions**

**a) Revenues**

The Utility is subject to rate regulation on the sewer utilities provided to residents in Prince Edward Island under the Island Regulatory & Appeals Commissions Act. The purpose of this Act, which is administered by the Island Regulatory & Appeals Commission (IRAC), is to regulate the rate municipalities may charge for sewer utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewer services.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

**b) Operating expenditures**

Most operating expenditures are estimated to increase at a rate of 3% per year given the effects of inflation and increasing cost of purchasing goods and services.

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES**  
**WITH NO PROPOSED RATE INCREASE**  
**FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

**5. Summary of Significant Assumptions (continued)**

**c) Tangible capital assets – sewer assets**

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2024
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	-	6,396	201,980	331,027
Pumping equipment	5.0%	203,968	-	7,459	164,627	39,341
Sewer and lines	1.2%	944,122	8,613	11,329	189,638	763,097
<b>Total Assets</b>		<b>\$ 1,684,660</b>	<b>\$ 8,613</b>	<b>\$ 25,184</b>	<b>\$ 556,245</b>	<b>\$ 1,137,028</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2025
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	-	6,396	208,376	324,631
Pumping equipment	5.0%	203,968	-	7,459	172,086	31,882
Sewer and lines	1.2%	952,735	-	11,329	200,967	751,768
<b>Total Assets</b>		<b>\$ 1,693,273</b>	<b>\$ -</b>	<b>\$ 25,184</b>	<b>\$ 581,429</b>	<b>\$ 1,111,844</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2026
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	533,007	100,000	7,596	215,972	417,035
Pumping equipment	5.0%	203,968	-	7,459	179,545	24,423
Sewer and lines	1.2%	952,735	-	11,329	212,296	740,439
<b>Total Assets</b>		<b>\$ 1,693,273</b>	<b>\$ 100,000</b>	<b>\$ 26,384</b>	<b>\$ 607,813</b>	<b>\$ 1,185,460</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2027
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	633,007	-	7,596	223,568	409,439
Pumping equipment	5.0%	203,968	-	7,459	187,004	16,964
Sewer and lines	1.2%	952,735	-	11,329	223,625	729,110
<b>Total Assets</b>		<b>\$ 1,793,273</b>	<b>\$ -</b>	<b>\$ 26,384</b>	<b>\$ 634,197</b>	<b>\$ 1,159,076</b>

		Cost	Additions	Amortization	Accumulated Amortization	NBV 2028
Land	0.0%	\$ 3,563	\$ -	\$ -	\$ -	\$ 3,563
Structures & improvement	1.2%	633,007	-	7,596	231,164	401,843
Pumping equipment	5.0%	203,968	-	7,459	194,463	9,505
Sewer and lines	1.2%	952,735	200,000	13,729	237,354	915,381
<b>Total Assets</b>		<b>\$ 1,793,273</b>	<b>\$ 200,000</b>	<b>\$ 28,784</b>	<b>\$ 662,981</b>	<b>\$ 1,330,292</b>

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**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION**  
**NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES**  
**WITH NO PROPOSED RATE INCREASE**  
**FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

**5. Summary of Significant Assumptions (continued)**

**d) Contribution in aid of construction – sewer assets**

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 202:</b>
Structures & improvements	1.2%	\$	479,550	\$ -	\$ 5,755	\$ 185,056	\$ 294,494
Pumping equipment	5.0%		161,863	-	8,093	128,396	33,467
Sewer lines	1.2%		688,444	13,745	8,426	136,552	565,637
<b>Total Assets</b>		<b>\$</b>	<b>1,329,857</b>	<b>\$ 13,745</b>	<b>\$ 22,274</b>	<b>\$ 450,004</b>	<b>\$ 893,598</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 202:</b>
Structures & improvements	1.2%	\$	479,550	\$ -	\$ 5,755	\$ 190,811	\$ 288,739
Pumping equipment	5.0%		161,863	-	8,093	136,489	25,374
Sewer lines	1.2%		702,189	-	8,426	144,978	557,211
<b>Total Assets</b>		<b>\$</b>	<b>1,343,602</b>	<b>\$ -</b>	<b>\$ 22,274</b>	<b>\$ 472,278</b>	<b>\$ 871,324</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 202:</b>
Structures & improvements	1.2%	\$	479,550	\$ 100,000	\$ 6,955	\$ 197,766	\$ 381,784
Pumping equipment	5.0%		161,863	-	8,093	144,582	17,281
Sewer lines	1.2%		702,189	-	8,426	153,404	548,785
<b>Total Assets</b>		<b>\$</b>	<b>1,343,602</b>	<b>\$ 100,000</b>	<b>\$ 23,474</b>	<b>\$ 495,752</b>	<b>\$ 947,850</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 202:</b>
Structures & improvements	1.2%	\$	579,550	\$ -	\$ 6,955	\$ 204,721	\$ 374,829
Pumping equipment	5.0%		161,863	-	8,093	152,675	9,188
Sewer lines	1.2%		702,189	-	8,426	161,830	540,359
<b>Total Assets</b>		<b>\$</b>	<b>1,443,602</b>	<b>\$ -</b>	<b>\$ 23,474</b>	<b>\$ 519,226</b>	<b>\$ 924,376</b>

			<b>Cost</b>	<b>Additions</b>	<b>Amortization</b>	<b>Accumulated Amortization</b>	<b>NBV 202:</b>
Structures & improvements	1.2%	\$	579,550	\$ -	\$ 6,955	\$ 211,676	\$ 367,874
Pumping equipment	5.0%		161,863	-	8,093	160,768	1,095
Sewer lines	1.2%		702,189	200,000	10,826	172,656	729,533
<b>Total Assets</b>		<b>\$</b>	<b>1,443,602</b>	<b>\$ 200,000</b>	<b>\$ 25,874</b>	<b>\$ 545,100</b>	<b>\$ 1,098,502</b>

**RURAL MUNICIPALITY OF ST. PETER'S BAY SEWER UTILITY CORPORATION  
NOTES TO THE PROJECTED STATEMENTS OF REVENUES AND EXPENDITURES  
WITH NO PROPOSED RATE INCREASE  
FOR THE YEARS TO END MARCH 31, 2025, 2026, 2027 AND 2028**

**5. Summary of Significant Assumptions (continued)**

**e) Long term debt**

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Morell Credit Union Limited - 4.95%; repayable in quarterly blended installments of \$3,268. The loan matures on January 1, 2027.	\$ 69,050	\$ 59,214	\$ 48,882	\$ 38,030	\$ 26,630
	69,050	59,214	48,882	38,030	26,630
Less: current portion	(9,836)	(10,332)	(10,853)	(11,400)	(14,655)
	\$ 59,214	\$ 48,882	\$ 38,030	\$ 26,630	\$ 11,975



**Appendix E:**  
**Audited Financial Statements: March 31, 2024**

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Consolidated Financial Statements**  
**March 31, 2024**

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Index to Consolidated Financial Statements**  
**March 31, 2024**

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## **MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

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The accompanying consolidated financial statements of the Rural Municipality of St. Peter's Bay are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

To meet its responsibility, management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Rural Municipality of St. Peter's Bay. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Rural Municipality of St. Peter's Bay:

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Mayor

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## INDEPENDENT AUDITOR'S REPORT

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### To the Mayor and Councillors of the Rural Municipality of St. Peter's Bay

#### Opinion

We have audited the consolidated financial statements of the Rural Municipality of St. Peter's Bay (the Municipality), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and accompanying notes and schedules to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for the Public Sector.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Accounting Standards for the Public Sector, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality's financial reporting process.

*(continues)*

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*MRSB Chartered Professional Accountants Inc.*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

November 14, 2024

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Consolidated Statement of Financial Position**  
**March 31, 2024**

	2024	2023
<b>Financial assets</b>		
Cash		
Unrestricted cash	\$ 227,083	\$ 309,151
Restricted cash	402,005	242,129
Accounts receivable (Note 3)	79,833	122,441
	<u>708,921</u>	<u>673,721</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	31,294	29,130
Deferred revenue (Note 4)	439,538	449,437
Long term debt (Note 5)	140,017	175,352
	<u>610,849</u>	<u>653,919</u>
<b>Net financial assets</b> (Statement 6)	<u>98,072</u>	<u>19,802</u>
<b>Non-financial assets</b>		
Prepaid expense	7,888	9,105
Tangible capital assets (Schedules 1 - 4)	2,986,318	3,022,857
	<u>2,994,206</u>	<u>3,031,962</u>
<b>Accumulated surplus</b> (Statement 5)	<u>\$ 3,092,278</u>	<u>\$ 3,051,764</u>

**On behalf of Council**

\_\_\_\_\_ Mayor

\_\_\_\_\_ Councillor

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Consolidated Statement of Operations**  
**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Revenues</b>			
General (Schedule 5)	\$ 260,900	\$ 348,201	\$ 220,995
Complex (Schedule 6)	110,140	121,805	97,785
Sewer Utility (Schedule 7)	55,700	63,947	53,514
Fire Department (Schedule 8)	126,000	125,049	117,809
Campground (Schedule 9)	210,500	224,373	210,565
	<u>763,240</u>	<u>883,375</u>	<u>700,668</u>
<b>Expenditures</b>			
General (Schedule 5)	260,900	316,659	233,553
Complex (Schedule 6)	110,140	120,425	102,735
Sewer Utility (Schedule 7)	55,700	84,954	66,075
Fire Department (Schedule 8)	126,000	107,766	115,054
Campground (Schedule 9)	210,500	237,971	204,929
	<u>763,240</u>	<u>867,775</u>	<u>722,346</u>
<b>Operating surplus (deficit)</b>	<u>-</u>	<u>15,600</u>	<u>(21,678)</u>
<b>Government transfers for capital</b>			
Sewer Utility (Note 6)	-	13,745	3,950
General (Note 6)	-	8,651	440,991
Campground (Note 6)	-	1,412	338
Fire Department (Note 6)	-	1,106	48,581
	<u>-</u>	<u>24,914</u>	<u>493,860</u>
<b>Annual surplus</b>	<u>-</u>	<u>40,514</u>	<u>472,182</u>
<b>Accumulated surplus - beginning of year</b>	<u>3,051,764</u>	<u>3,051,764</u>	<u>2,579,582</u>
<b>Accumulated surplus - end of year (Note 7)</b>	<u>\$ 3,051,764</u>	<u>\$ 3,092,278</u>	<u>\$ 3,051,764</u>

Notes 1 to 13 are an integral part of these consolidated financial statements



**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Annual surplus</b>	\$ -	\$ 40,514	\$ 472,182
Amortization of tangible capital assets	-	113,778	109,654
Purchase of tangible capital assets	-	(77,238)	(521,667)
Decrease (increase) in prepaid expense	-	1,216	(243)
	-	37,756	(412,256)
<b>Increase in net financial assets</b>	-	78,270	59,926
<b>Net financial assets (debt) - beginning of year</b>	19,802	19,802	(40,124)
<b>Net financial assets - end of year</b>	\$ 19,802	\$ 98,072	\$ 19,802

Notes 1 to 13 are an integral part of these consolidated financial statements

# RURAL MUNICIPALITY OF ST. PETER'S BAY

## Consolidated Statement of Cash Flows

Year Ended March 31, 2024

	2024	2023
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 40,514	\$ 472,182
Item not affecting cash:		
Amortization of tangible capital assets	113,778	109,654
	<u>154,292</u>	<u>581,836</u>
Changes in non-cash working capital:		
Accounts receivable	42,608	(92,376)
Prepaid expense	1,217	(238)
Accounts payable and accrued liabilities	2,163	14,194
Deferred revenue	(9,899)	54,343
	<u>36,089</u>	<u>(24,077)</u>
	<u>190,381</u>	<u>557,759</u>
<b>Cash flows from capital activities</b>		
Purchase of tangible capital assets	(77,238)	(521,667)
<b>Cash flows from financing activity</b>		
Repayment of long term debt	(35,335)	(48,021)
	<u>(35,335)</u>	<u>(48,021)</u>
<b>Increase (decrease) in cash</b>	<u>77,808</u>	<u>(11,929)</u>
<b>Cash - beginning of year</b>	<u>551,280</u>	<u>563,209</u>
<b>Cash - end of year</b>	<u>\$ 629,088</u>	<u>\$ 551,280</u>
<b>Cash consists of:</b>		
Unrestricted cash	\$ 227,083	\$ 309,151
Restricted cash	<u>402,005</u>	<u>242,129</u>
	<u>\$ 629,088</u>	<u>\$ 551,280</u>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

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**1. DESCRIPTION OF BUSINESS**

Rural Municipality of St. Peter's Bay (the "Municipality") was incorporated under the Municipalities Act of Prince Edward Island. Its principal activities include the provision of local government services to residents of the incorporated area. The Municipality is a non-profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Basis of preparation

The consolidated financial statements of the Rural Municipality of St. Peter's Bay are the representations of management prepared in accordance with Canadian Accounting Standards for the Public Sector.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs and in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.

Basis of consolidation

The consolidated financial statements for the Rural Municipality of St. Peter's Bay reflect the assets, liabilities, revenues, expenditures, and annual surplus of all funds of the Municipality. The Municipality is comprised of all organizations and committees accountable to the Municipality for the administration of their financial affairs and resources. Included in the Municipality are the following:

St. Peter's Bay Campground  
St. Peter's Bay Fire Department  
St. Peter's Bay Sewer Utility

Cash

Cash is comprised of unrestricted and restricted balances on deposits with Credit Union.

Accounts receivable

Accounts receivable arise from sewer dues, Harmonized Sales Tax, government funding, and miscellaneous accounts receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

*(continues)*

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Tangible capital assets

Tangible capital assets are stated at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized over the estimated useful life using the following rates and methods:

General		
Buildings	1%	declining balance method
Paving	8%	declining balance method
Furnishings	10%	declining balance method
Landscaping	10%	declining balance method
Equipment	10%	declining balance method
Ballfield	10%	declining balance method
Splash Pad	10%	declining balance method
Sewer Utility		
Sewer mains	1.2%	straight-line method
Lagoon	1.2%	straight-line method
Lagoon improvements	1.2%	straight-line method
Sewer pumping station	5%	straight-line method
Campground		
Building	4%	declining balance method
Equipment	20%	declining balance method
Lawnmower	20%	declining balance method
Site extensions	5%	declining balance method
Laundromat	4%	declining balance method
Sewer pumps and lines	1%	declining balance method
Playground equipment	20%	declining balance method
Paving	8%	declining balance method
Fire Department		
Fire trucks	10%	declining balance method
Equipment	10%	straight-line method
Boat	15%	declining balance method
Building	4%	declining balance method
Utility vehicle	10%	straight-line method
Computer	30%	declining balance method

One-half of the annual rate is recorded in the year of acquisition for all assets except Sewer Utility; no amortization is recorded in the year of disposal.

Amortization rates for the Sewer Utility were established using the estimated useful life of the asset in accordance with the Island Regulatory and Appeals Commission guidelines.

*(continues)*

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

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**2. SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

Impairment of long lived assets

The Municipality tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Consolidated Statement of Operations. As at March 31, 2024, no asset retirement obligations have been identified by management.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates on the amounts can be determined.

*(continues)*

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

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**2. SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

Revenue recognition

Property tax billings are based on the assessed value of real property in the Municipality and is payable in each calendar year. Tax rates are reviewed, established, and approved annually by the Municipality. These revenues are recognized when monthly billings come due.

Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed semi annually and are recognized when billings come due.

Fire dues are reviewed, established, and approved annually by the Council. These revenues are recognized when monthly billings come due.

Camping fees are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from transactions with performance obligations are recognized when (or as) the Municipality satisfies a performance obligation. Revenue from transactions with no performance obligations are recognized when the Municipality has the authority to claim or retain an inflow of economic resources and a past transaction has given rise to an asset.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in surplus. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issuance of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

Management estimates

The presentation of the consolidated financial statements in conformity with Canadian Accounting Standards for the Public Sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. The following are areas in which management makes significant accounting estimates:

- The amounts recorded for amortization of tangible capital assets on the consolidated statement of operations is subject to management's assessment of the estimated useful life of the Municipality's tangible capital assets;
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

**3. ACCOUNTS RECEIVABLE**

	<u>2024</u>	<u>2023</u>
Government grants	\$ 32,500	\$ 13,450
Sewer accounts receivable	21,407	22,609
HST receivable	18,905	37,198
Municipal Capital Expenditure Grant	7,021	47,744
Rent	-	1,440
	<u>\$ 79,833</u>	<u>\$ 122,441</u>

**4. DEFERRED REVENUE**

	<u>2024</u>	<u>2023</u>
Canada Community Building Fund	\$ 427,233	\$ 342,475
Province of PEI Rent	5,750	-
Seniors Community Meal Grant	5,000	-
Equalization payment	1,555	-
Insurance proceeds	-	105,427
Camping fees prepaid	-	1,535
	<u>\$ 439,538</u>	<u>\$ 449,437</u>

Under the Canada Community Building Fund, the Municipality was allocated \$100,000 per year for the fiscal years ending March 31, 2020 to 2024. These funds, along with interest earned, must be used for eligible infrastructure and capacity building projects. Any funds received under this program, including interest earned but not yet spent, are recognized as deferred revenue at the end of the year.

During the year, the Municipality received Canada Community Building Funding of \$100,000, incurred eligible expenditures of \$8,369, and earned interest of \$3,172.

**5. LONG TERM DEBT**

	<u>2024</u>	<u>2023</u>
<u>St. Peter's Bay Sewer Utility</u>		
Morell Credit Union Limited - 4.95%; repayable in quarterly blended installments of \$3,268. The loan matures on January 1, 2027.	\$ 69,050	\$ 78,404
<u>St. Peter's Bay Fire Department</u>		
Morell Credit Union Limited - 4.95%; repayable in monthly blended installments of \$2,716. The loan matures on June 30, 2026.	70,967	96,948
	<u>\$ 140,017</u>	<u>\$ 175,352</u>

(continues)

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

**5. LONG TERM DEBT (continued)**

Principal repayments of long term debt are expected to be repaid over the next three years as follows:

2025	\$	39,654
2026		51,480
2027		48,883

The Municipality has provided borrowing resolutions to Morell Credit Union Limited as security for loans.

**6. GOVERNMENT TRANSFERS**

	<u>2024</u>	<u>2023</u>
<u>Government transfers for capital</u>		
<u>Fire Department</u>		
Municipal Capital Expenditure Grant	\$ 1,106	\$ 3,991
Efficiency PEI	-	14,590
Province of PEI Community Revitalization	-	30,000
	<u>1,106</u>	<u>48,581</u>
 <u>Sewer Utility</u>		
Canada Community Building Fund	12,962	-
Municipal Capital Expenditure Grant	783	3,950
	<u>13,745</u>	<u>3,950</u>
 <u>General</u>		
Canada Community Building Fund	5,454	153,385
Municipal Capital Expenditure Grant	3,197	40,629
Atlantic Canada Opportunities Agency	-	128,527
Province of PEI Landing Project	-	75,000
St Peter's Area Development Corporation	-	30,000
Efficiency PEI	-	13,450
	<u>8,651</u>	<u>440,991</u>
 <u>Campground</u>		
Municipal Capital Expenditure Grant	1,412	338
	<u>\$ 24,914</u>	<u>\$ 493,860</u>



**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

**7. ACCUMULATED SURPLUS**

	<u>2024</u>	<u>2023</u>
Unrestricted surplus	\$ 245,977	\$ 204,259
Investment in tangible capital assets (Note 8)	<u>2,846,301</u>	<u>2,847,505</u>
	<u>\$ 3,092,278</u>	<u>\$ 3,051,764</u>

**8. INVESTMENT IN TANGIBLE CAPITAL ASSETS**

	<u>2024</u>	<u>2023</u>
Tangible capital assets (Schedules 2 and 4)	\$ 4,651,159	\$ 4,573,920
Accumulated amortization (Schedules 2 and 4)	<u>(1,664,841)</u>	<u>(1,551,063)</u>
Long term debt (Note 5)	<u>(140,017)</u>	<u>(175,352)</u>
	<u>\$ 2,846,301</u>	<u>\$ 2,847,505</u>

**9. LINE OF CREDIT AVAILABILITY**

The Rural Municipality of St. Peter's Bay, Sewer Utility, Campground and Fire Department all have approved lines of credit with Morell Credit Union Limited of \$5,000 each which were not utilized at the end of the reporting period. The lines of credit are due for renewal August 31, 2024.

**10. RATE REGULATION**

Sewer Utility

The Municipality is subject to rate regulation on wastewater utility rates in Prince Edward Island in accordance with the Water and Sewerage Act. The purpose of this Act, which is administered by the Island Regulatory and Appeals Commission (IRAC), is to regulate the sewer utility rates within the Province of Prince Edward Island.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

**11. BUDGET FIGURES**

The budget figures provided on Statements 5 and 6 and Schedules 5 to 9 have not been audited or reviewed by the external auditor.

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2024**

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**12. FINANCIAL INSTRUMENTS**

The Municipality's consolidated financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and long term debt.

The Municipality is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Municipality's risk exposure and concentration as of March 31, 2024.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Municipality is exposed to credit risk from residents. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Municipality has a significant number of residents which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Municipality is exposed to this risk mainly in respect of its receipt of government funding, long term debt, and accounts payable and accrued liabilities.

**13. SEGMENT DISCLOSURE**

The Municipality is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes the Municipality's operations and activities are organized and reported by segment. The major segments are as follows:

Sewer Utility

This segment is responsible for the maintenance and operations of sewer services provided to residents and other customers.

Fire Department

This segment is responsible for the maintenance and operations of the fire department, along with providing fire protection services for residents. Its tasks include providing critical, life saving services in preventing or minimizing loss of life and property from fire and natural or man made emergencies.

Campground

This segment is responsible for the maintenance and operations of the campground provided for residents and visitors to Prince Edward Island.

General Government

This segment is responsible for the overall financial and local government administration. Its tasks include, but are not limited to, daily accounting functions, preparation and coordination of annual audited consolidated financial statements, development of the annual budget, human resource functions for the entire municipality, maintenance of bylaws and policies, oversight of public works, maintenance of municipal facilities, operations of the fire department, and administration of municipal services.

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Tangible Capital Assets**  
**Year Ended March 31, 2024**

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>General</b>									
Land	\$ 15,968	\$ -	\$ -	\$ 15,968	\$ -	\$ -	\$ -	\$ -	\$ 15,968
Buildings	1,089,353	27,266	-	1,116,619	116,944	9,861	-	126,805	989,814
Paving	56,350	-	-	56,350	31,363	1,999	-	33,362	22,988
Furnishings	192,905	-	-	192,905	121,839	7,107	-	128,946	63,959
Landscaping	17,850	-	-	17,850	17,850	-	-	17,850	-
Equipment	11,709	4,137	-	15,846	2,673	1,109	-	3,782	12,064
Ballfield	26,679	5,118	-	31,797	10,494	1,874	-	12,368	19,429
Splash Pad	142,921	-	-	142,921	7,146	13,578	-	20,724	122,197
	<b>\$ 1,553,735</b>	<b>\$ 36,521</b>	<b>\$ -</b>	<b>\$ 1,590,256</b>	<b>\$ 308,309</b>	<b>\$ 35,528</b>	<b>\$ -</b>	<b>\$ 343,837</b>	<b>\$ 1,246,419</b>
<b>Sewer Utility</b>									
Land	\$ 3,563	\$ -	\$ -	\$ 3,563	\$ -	\$ -	\$ -	\$ -	\$ 3,563
Sewer mains	533,007	-	-	533,007	195,585	6,396	-	201,981	331,026
Lagoon	661,137	-	-	661,137	150,692	7,934	-	158,626	502,511
Lagoon improvements	282,985	8,369	-	291,354	27,618	3,396	-	31,014	260,340
Sewer pumping station	203,968	244	-	204,212	157,169	7,480	-	164,649	39,563
	<b>\$ 1,684,660</b>	<b>\$ 8,613</b>	<b>\$ -</b>	<b>\$ 1,693,273</b>	<b>\$ 531,064</b>	<b>\$ 25,206</b>	<b>\$ -</b>	<b>\$ 556,270</b>	<b>\$ 1,137,003</b>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Tangible Capital Assets**  
**Year Ended March 31, 2024**

(Schedule 2)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>Campground</b>									
Building	\$ 204,000	\$ 12,950	\$ -	\$ 216,950	\$ 57,485	\$ 6,119	\$ -	\$ 63,604	\$ 153,346
Equipment	82,053	-	-	82,053	59,654	4,480	-	64,134	17,919
Lawnmower	17,587	5,000	-	22,587	15,186	980	-	16,166	6,421
Site extensions	68,945	-	-	68,945	22,033	2,346	-	24,379	44,566
Laundromat	6,102	-	-	6,102	5,785	12	-	5,797	305
Sewer pumps and lines	101,856	1,295	-	103,151	23,509	790	-	24,299	78,852
Playground equipment	30,219	-	-	30,219	16,819	2,680	-	19,499	10,720
Paving	78,866	-	-	78,866	51,634	2,179	-	53,813	25,053
	<b>\$ 589,628</b>	<b>\$ 19,245</b>	<b>\$ -</b>	<b>\$ 608,873</b>	<b>\$ 252,105</b>	<b>\$ 19,586</b>	<b>\$ -</b>	<b>\$ 271,691</b>	<b>\$ 337,182</b>
<b>Fire Department</b>									
Fire trucks	\$ 440,293	\$ -	\$ -	\$ 440,293	\$ 297,763	\$ 14,253	\$ -	\$ 312,016	\$ 128,277
Equipment	265,219	-	-	265,219	128,138	16,961	-	145,099	120,120
Boat	18,994	-	-	18,994	17,268	259	-	17,527	1,467
Building	3,989	12,859	-	16,848	1,417	360	-	1,777	15,071
Utility vehicle	15,791	-	-	15,791	13,545	1,579	-	15,124	667
Computer	1,611	-	-	1,611	1,463	46	-	1,509	102
	<b>\$ 745,897</b>	<b>\$ 12,859</b>	<b>\$ -</b>	<b>\$ 758,756</b>	<b>\$ 459,594</b>	<b>\$ 33,458</b>	<b>\$ -</b>	<b>\$ 493,052</b>	<b>\$ 265,704</b>
<b>Total tangible capital assets</b>	<b>\$ 4,573,920</b>	<b>\$ 77,238</b>	<b>\$ -</b>	<b>\$ 4,651,159</b>	<b>\$ 1,551,063</b>	<b>\$ 113,778</b>	<b>\$ -</b>	<b>\$ 1,664,841</b>	<b>\$ 2,986,318</b>

Notes 1 to 13 are an integral part of these consolidated financial statements

# RURAL MUNICIPALITY OF ST. PETER'S BAY

## Schedules to Consolidated Financial Statements

### Tangible Capital Assets

Year Ended March 31, 2023

(Schedule 3)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>General</b>									
Land	\$ 15,968	\$ -	\$ -	\$ 15,968	\$ -	\$ -	\$ -	\$ -	\$ 15,968
Buildings	801,863	287,490	-	1,089,353	108,574	8,370	-	116,944	972,409
Paving	56,350	-	-	56,350	29,190	2,173	-	31,363	24,987
Furnishings	192,905	-	-	192,905	113,943	7,896	-	121,839	71,066
Landscaping	17,850	-	-	17,850	17,850	-	-	17,850	-
Equipment	10,849	860	-	11,709	1,717	956	-	2,673	9,036
Ballfield	26,679	-	-	26,679	8,696	1,798	-	10,494	16,185
Splash Pad	-	142,921	-	142,921	-	7,146	-	7,146	135,775
	<b>\$ 1,122,464</b>	<b>\$ 431,271</b>	<b>\$ -</b>	<b>\$ 1,553,735</b>	<b>\$ 279,970</b>	<b>\$ 28,339</b>	<b>\$ -</b>	<b>\$ 308,309</b>	<b>\$ 1,245,426</b>
<b>Sewer Utility</b>									
Land	\$ 3,563	\$ -	\$ -	\$ 3,563	\$ -	\$ -	\$ -	\$ -	\$ 3,563
Sewer mains	533,007	-	-	533,007	189,189	6,396	-	195,585	337,422
Lagoon	661,137	-	-	661,137	142,758	7,934	-	150,692	510,445
Lagoon improvements	239,541	43,444	-	282,985	24,223	3,395	-	27,618	255,367
Sewer pumping station	203,968	-	-	203,968	149,709	7,462	-	157,169	46,799
	<b>\$ 1,641,216</b>	<b>\$ 43,444</b>	<b>\$ -</b>	<b>\$ 1,684,660</b>	<b>\$ 505,879</b>	<b>\$ 25,185</b>	<b>\$ -</b>	<b>\$ 531,064</b>	<b>\$ 1,153,596</b>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Tangible Capital Assets**  
**Year Ended March 31, 2023**

(Schedule 4)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>Campground</b>									
Building	\$ 204,000	-	-	\$ 204,000	\$ 51,380	\$ 6,105	-	\$ 57,485	\$ 146,515
Equipment	78,338	3,715	-	82,053	54,519	5,135	-	59,654	22,399
Lawnmower	17,587	-	-	17,587	14,586	600	-	15,186	2,401
Site extensions	68,945	-	-	68,945	19,564	2,469	-	22,033	46,912
Laundromat	6,102	-	-	6,102	5,772	13	-	5,785	317
Sewer pumps and lines	101,856	-	-	101,856	22,717	792	-	23,509	78,347
Playground equipment	30,219	-	-	30,219	13,469	3,350	-	16,819	13,400
Paving	78,866	-	-	78,866	49,266	2,368	-	51,634	27,232
	<b>\$ 585,913</b>	<b>\$ 3,715</b>	<b>-</b>	<b>\$ 589,628</b>	<b>\$ 231,273</b>	<b>\$ 20,832</b>	<b>-</b>	<b>\$ 252,105</b>	<b>\$ 337,523</b>
<b>Fire Department</b>									
Fire trucks	\$ 440,293	-	-	\$ 440,293	\$ 281,927	\$ 15,836	-	\$ 297,763	\$ 142,530
Equipment	221,982	43,237	-	265,219	110,738	17,400	-	128,138	137,081
Boat	18,994	-	-	18,994	16,963	305	-	17,268	1,726
Building	3,989	-	-	3,989	1,310	107	-	1,417	2,572
Utility vehicle	15,791	-	-	15,791	11,966	1,579	-	13,545	2,246
Computer	1,611	-	-	1,611	1,397	70	-	1,463	148
	<b>\$ 702,660</b>	<b>\$ 43,237</b>	<b>-</b>	<b>\$ 745,897</b>	<b>\$ 424,301</b>	<b>\$ 35,292</b>	<b>-</b>	<b>\$ 459,594</b>	<b>\$ 286,303</b>
<b>Total tangible capital assets</b>	<b>\$ 4,052,253</b>	<b>\$ 521,667</b>	<b>-</b>	<b>\$ 4,573,920</b>	<b>\$ 1,441,423</b>	<b>\$ 109,654</b>	<b>-</b>	<b>\$ 1,551,063</b>	<b>\$ 3,022,857</b>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Statement of Operations - General** **(Schedule 5)**  
**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Revenues</b>			
Wage subsidies	\$ 81,000	\$ 107,221	\$ 83,141
Property tax	90,000	69,414	64,416
Insurance proceeds	-	53,239	-
Complex administration	30,000	30,000	5,000
Room rentals	17,400	17,738	17,661
Equalization grant	20,000	17,146	15,823
Park administration	15,000	15,000	5,000
Miscellaneous	-	11,526	9,056
Community cupboard grant	-	10,000	-
Building rental	-	4,218	4,218
Sewer administration	3,000	3,500	4,000
Fire department services	3,000	3,000	3,000
Sewer services	-	2,500	2,500
Community recreation grant	-	2,500	2,500
Canada day grant	1,500	1,199	4,680
	<u>260,900</u>	<u>348,201</u>	<u>220,995</u>
<b>Expenditures</b>			
Advertising	-	1,436	931
Amortization of tangible capital assets	15,357	27,176	19,635
CAP site and library	4,000	5,131	3,804
Dues	1,200	1,170	648
Fire protection	10,000	10,000	10,000
Interest and bank charges	1,200	1,989	1,284
Mileage	1,300	1,305	-
Office and community promotion	6,500	21,291	11,764
Professional fees	7,600	4,753	5,278
Property tax	1,600	1,541	1,987
Recreation	-	2,561	4,962
Repairs and maintenance	10,000	10,729	3,417
Sewer	325	325	325
St. Peter's Area Rink	-	2,500	2,500
Street lights	10,000	10,281	9,007
Supplies	5,800	6,254	1,060
Telecommunications	4,700	4,692	3,615
Utilities and insurance	15,600	20,991	18,307
Wages and expenses - projects	75,228	96,266	89,409
Wages and wage levies - administration	90,490	86,268	45,620
	<u>260,900</u>	<u>316,659</u>	<u>233,553</u>
<b>Operating surplus (deficit)</b>	<u>\$ -</u>	<u>\$ 31,542</u>	<u>\$ (12,558)</u>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Statement of Operations - Complex** **(Schedule 6)**  
**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Revenues</b>			
Facility rentals	\$ 101,140	\$ 97,244	\$ 89,140
Insurance proceeds	-	15,120	-
Wage subsidies	9,000	9,441	8,645
	<u>110,140</u>	<u>121,805</u>	<u>97,785</u>
<b>Expenditures</b>			
Administration fee	5,000	30,000	5,000
Amortization of tangible capital assets	4,210	8,352	8,705
Electricity	18,000	18,522	17,191
Heat	12,000	14,563	23,759
Insurance	4,900	5,626	4,877
Interest and bank charges	250	261	528
Maintenance and repairs	16,200	16,682	19,911
Professional fees	3,000	3,148	2,458
Sewer	1,500	1,500	1,500
Telephone and office	3,500	2,848	3,404
Wages and wage levies	41,580	18,923	15,402
	<u>110,140</u>	<u>120,425</u>	<u>102,735</u>
<b>Operating surplus (deficit)</b>	<u>\$ -</u>	<u>\$ 1,380</u>	<u>\$ (4,950)</u>

Notes 1 to 13 are an integral part of these consolidated financial statements



**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Statement of Operations - Sewer Utility** (Schedule 7)  
**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Revenues</b>			
Sewer charges	\$ 55,000	\$ 51,746	\$ 52,327
Insurance proceeds	-	11,182	-
Interest	700	1,019	1,187
	<u>55,700</u>	<u>63,947</u>	<u>53,514</u>
<b>Expenditures</b>			
Amortization of tangible capital assets	6,000	25,206	25,185
Electricity	2,300	2,332	2,405
Insurance	2,200	1,952	1,846
Interest and bank charges	800	750	692
Interest on long term debt	3,800	3,610	4,159
Island Regulatory and Appeals Commission	900	673	602
Office rental	3,000	2,500	2,500
Office supplies	500	648	342
Professional fees	7,000	6,762	4,285
Property tax	400	387	198
Repairs and maintenance	18,000	25,819	8,760
Wages and wage levies	10,800	14,315	15,101
	<u>55,700</u>	<u>84,954</u>	<u>66,075</u>
<b>Operating deficit</b>	<u>\$ -</u>	<u>\$ (21,007)</u>	<u>\$ (12,561)</u>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Statement of Operations - Fire Department** (Schedule 8)  
**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Revenues</b>			
Fire dues	\$ 116,000	\$ 113,253	\$ 106,809
Fire protection from General	10,000	10,000	10,000
Miscellaneous	-	1,796	1,000
	<u>126,000</u>	<u>125,049</u>	<u>117,809</u>
<b>Expenditures</b>			
Administration	3,000	3,000	3,000
Advertising	600	374	352
Amortization of tangible capital assets	6,025	33,458	35,292
Building repairs and maintenance	5,000	58	1,899
Dues and fees	1,400	821	1,180
Equipment purchases and supplies	28,375	16,864	13,532
Honoraria	9,400	-	474
Insurance	14,000	13,455	11,208
Interest and bank charges	600	359	542
Interest on long term debt	4,800	4,163	5,856
Office	600	596	990
Professional fees	3,800	2,965	2,800
Property taxes and sewer	1,600	1,587	1,002
Radio license	600	446	563
Rent	-	4,218	4,218
Telephone and communications	8,000	8,373	7,828
Training	10,000	7,431	11,538
Truck - oil and gas	4,000	2,176	1,783
Truck repairs and maintenance	12,000	380	3,287
Utilities	12,200	7,042	7,710
	<u>126,000</u>	<u>107,766</u>	<u>115,054</u>
<b>Operating surplus</b>	<u>\$ -</u>	<u>\$ 17,283</u>	<u>\$ 2,755</u>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Statement of Operations - Campground** (Schedule 9)  
**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Revenues</b>			
Park fees	\$ 164,000	\$ 153,345	\$ 145,200
Wage grants	39,000	37,024	46,627
Insurance proceeds	-	25,886	-
Miscellaneous	3,000	3,715	4,455
Laundromat	3,000	3,400	3,033
Canteen and pool	1,500	1,003	11,250
	<u>210,500</u>	<u>224,373</u>	<u>210,565</u>
<b>Expenditures</b>			
Administration	5,000	15,000	5,000
Advertising	-	120	340
Amortization of tangible capital assets	4,200	19,586	20,832
Bug control	3,500	3,300	2,900
Canteen and pool	3,000	2,238	17,873
Insurance	4,600	4,918	3,911
Interest and bank charges	3,100	3,072	3,739
Miscellaneous	1,500	2,300	601
Office	1,000	2,606	2,407
Professional fees	2,900	2,847	2,795
Property tax	2,400	2,420	2,407
Repairs and maintenance	38,600	43,273	16,751
Telephone and internet	6,000	3,830	2,634
Utilities	32,600	30,802	26,251
Wages and wage levies	102,100	101,659	96,488
	<u>210,500</u>	<u>237,971</u>	<u>204,929</u>
<b>Operating surplus (deficit)</b>	<u>\$ -</u>	<u>\$ (13,598)</u>	<u>\$ 5,636</u>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Segment Disclosures**  
**Year Ended March 31, 2024**  
**(Schedule 10)**

	General Government	Complex	Sewer Utility	Fire	Campground	Elimination	Consolidated 2024
<b>Revenues</b>							
Wage subsidies	\$ 107,221	\$ 9,441	\$ -	-	\$ 37,024	\$ -	\$ 153,686
Property taxes	69,414	-	-	-	-	-	69,414
Insurance proceeds	53,239	15,120	11,182	-	25,886	-	105,427
Rentals	21,956	97,244	-	-	-	(4,218)	114,982
Equalization grant	17,146	-	-	-	-	-	17,146
Miscellaneous	22,725	-	1,019	1,796	7,115	-	32,655
Sewer services and administration	6,000	-	-	-	-	(6,000)	-
Park administration	15,000	-	-	-	-	(5,000)	10,000
Community recreation grant	2,500	-	-	-	-	-	2,500
Fire department services	3,000	-	-	-	-	(3,000)	-
Complex administration	30,000	-	-	-	-	(5,000)	25,000
Sewer charges	-	-	51,746	-	-	(3,775)	47,971
Fire dues	-	-	-	113,253	-	-	113,253
Contributions	-	-	-	10,000	-	(10,000)	-
Park fees	-	-	-	-	153,345	-	153,345
Pool and canteen	-	-	-	-	1,003	-	1,003
	<b>348,201</b>	<b>121,805</b>	<b>63,947</b>	<b>125,049</b>	<b>224,373</b>	<b>(36,993)</b>	<b>846,382</b>
<b>Expenditures</b>							
Salaries and benefits	187,665	18,923	14,315	-	101,659	(3,500)	217,403
Goods and services	99,829	92,889	41,073	69,786	113,654	(33,493)	270,084
Amortization of tangible capital assets	27,176	8,352	25,206	33,458	19,586	-	94,192
Interest	1,989	261	4,360	4,522	3,072	-	11,132
	<b>316,659</b>	<b>120,425</b>	<b>84,954</b>	<b>107,766</b>	<b>237,971</b>	<b>(36,993)</b>	<b>592,811</b>
<b>Operating surplus (deficit)</b>	<b>31,542</b>	<b>1,380</b>	<b>(21,007)</b>	<b>17,283</b>	<b>(13,598)</b>	<b>-</b>	<b>15,600</b>
Government transfers for capital	8,651	-	13,745	1,106	1,412	-	24,914
<b>Annual surplus (deficit)</b>	<b>\$ 40,193</b>	<b>\$ 1,380</b>	<b>\$ (7,262)</b>	<b>\$ 18,389</b>	<b>\$ (12,186)</b>	<b>\$ -</b>	<b>\$ 40,514</b>

Notes 1 to 13 are an integral part of these consolidated financial statements

**RURAL MUNICIPALITY OF ST. PETER'S BAY**  
**Schedules to Consolidated Financial Statements**  
**Segment Disclosures**  
**Year Ended March 31, 2023**

(Schedule 11)

	General Government	Complex	Sewer Utility	Fire	Campground	Elimination	Consolidated 2023
<b>Revenues</b>							
Wage subsidies	\$ 83,141	\$ 8,645	\$ -	-	\$ 46,627	\$ -	\$ 138,413
Property taxes	64,416	-	-	-	-	-	64,416
Rentals	21,879	89,140	-	-	-	(4,218)	106,801
Equalization grant	15,823	-	-	-	-	-	15,823
Miscellaneous	13,736	-	1,187	1,000	7,488	-	23,411
Sewer services and administration	6,500	-	-	-	-	(6,500)	-
Park administration	5,000	-	-	-	-	(5,000)	-
Community recreation grant	2,500	-	-	-	-	-	2,500
Fire department services	3,000	-	-	-	-	(3,000)	-
Complex administration	5,000	-	-	-	-	(5,000)	-
Sewer charges	-	-	52,327	-	-	(3,328)	48,999
Fire dues	-	-	-	106,809	-	-	106,809
Contributions	-	-	-	10,000	-	(10,000)	-
Park fees	-	-	-	-	145,200	-	145,200
Pool and canteen	-	-	-	-	11,250	-	11,250
	<b>220,995</b>	<b>97,785</b>	<b>53,514</b>	<b>117,809</b>	<b>210,565</b>	<b>(37,046)</b>	<b>663,622</b>
<b>Expenditures</b>							
Salaries and benefits	138,833	15,402	15,101	-	96,488	(3,500)	262,324
Goods and services	73,801	78,100	20,938	73,364	83,870	(33,546)	296,527
Amortization of tangible capital assets	19,635	8,705	25,185	35,292	20,832	-	109,649
Interest	1,284	528	4,851	6,398	3,739	-	16,800
	<b>233,553</b>	<b>102,735</b>	<b>66,075</b>	<b>115,054</b>	<b>204,929</b>	<b>(37,046)</b>	<b>685,300</b>
<b>Operating surplus (deficit)</b>	<b>(12,558)</b>	<b>(4,950)</b>	<b>(12,561)</b>	<b>2,755</b>	<b>5,636</b>	<b>-</b>	<b>(21,678)</b>
Government transfers for capital	440,991	-	3,950	48,581	338	-	493,860
<b>Annual surplus (deficit)</b>	<b>\$ 428,433</b>	<b>\$ (4,950)</b>	<b>\$ (8,611)</b>	<b>\$ 51,336</b>	<b>\$ 5,974</b>	<b>\$ -</b>	<b>\$ 472,182</b>

Notes 1 to 13 are an integral part of these consolidated financial statements

**MRSB**